

Table 9-1. Overview of Select Federal Programs that Support Child Care

	Dependent Care Credit	Child Care and Development Fund	Child and Adult Care Food Program	Title XX Social Services Block Grant	Head Start	Temporary Assistance for Needy Families
Budgetary Classification	Nonrefundable tax credit	Discretionary authorization <i>and</i> pre-appropriated mandatory funding	Authorized entitlement	Authorized entitlement	Discretionary authorization	Pre-appropriated mandatory funding
Statutory Authority	Internal Revenue Code	Omnibus Budget Reconciliation Act of 1990 <i>and</i> Personal Responsibility and Work Opportunity Reconciliation Act of 1996	Richard B. Russell National School Lunch Act	Social Security Act	Omnibus Budget Reconciliation Act of 1981	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
Federal Administration	U.S. Treasury, IRS	HHS, ACF	USDA, FNS	HHS, ACF	HHS, ACF	HHS, ACF
Federal Funding Support	NA	Funding ceiling, 100 percent federal funding for discretionary and part of mandatory funding; balance at Medicaid match rate	Open ended, 100 percent Federal funding	Funding ceiling, 100 percent federal funding	Funding ceiling, 80 percent federal funding	Funding ceiling, 100 percent federal funding (with state maintenance-of-effort (MOE) requirements)
FY2014 Funding ^a (in millions)	\$4,200 ^b	\$2,358 - Discretionary \$2,917 - Mandatory	\$3,051 ^c	Total is \$1,578 ^d	\$8,598	Total is \$17,179 ^e
Target Population	Taxpayers who need dependent care in order to accept or maintain employment	Families with incomes at or below 85% of state median income, with parents engaged in work or education/training	Children, particularly children from low-income families, in child care centers, day care homes, and afterschool programs	State discretion	Low-income children and families	Needy families with minor children; needy pregnant women
Eligible Children	Children under age 13	Children under age 13 (unless incapable of self-care or under court supervision)	Children younger than 13 (through age 18 in the afterschool programs); migrant children younger than 16; disabled children	State discretion	Children from poor families who have not reached the age of compulsory school attendance	Needy children as determined by the State

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Provider Requirements	Centers only must meet applicable state and local standards	Must meet applicable state and local standards (including relatives); with exception of relatives, must also meet certain health and safety standards	Must meet federal nutrition standards; must meet applicable state/local licensing approval standards (or, certain alternate approval standards if licensing/approval not required)	Must meet applicable state and local standards	Must meet federally established standards with respect to health, education, parental involvement, nutrition, and social services	NA (However, any transferred funds are subject to CCDBG rules)

Source: Table prepared by the Congressional Research Service on September 8, 2014, for the 2014 version of the House Ways and Means Committee Green Book.

Notes: NA = Not Applicable. DOT, IRS = Department of the Treasury, Internal Revenue Service. HHS, ACF = Health and Human Services, Administration for Children and Families. USDA, FNS = U.S. Department of Agriculture, Food and Nutrition Service. This table displays information for a selection of federal programs that provide support for child care. Note that such support comes in many forms, ranging from grant programs to tax provisions. Some programs serve as specifically dedicated funding sources for child care services (e.g., the Child Care and Development Fund, or CCDF). For other programs (e.g., Temporary Assistance for Needy Families, or TANF), child care is just one of many purposes for which funds may be used.

- a. Funding in this table represents funding appropriated for FY2014, unless otherwise noted.
- b. Estimated tax expenditures (i.e., lost revenue) as reported in the FY2015 President's Budget. See Office of Management and Budget, Analytical Perspectives, Budget of the U.S. Government, Fiscal Year 2015, p. 207, <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/receipts.pdf>
- c. Estimated obligations as reported in the FY2015 President's Budget. See Office of Management and Budget, Analytical Perspectives, Budget of the U.S. Government, Fiscal Year 2015, p. 258. <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2015/assets/topics.pdf>
- d. States have flexibility in selecting service priorities for the SSBG. The amount shown is the total funding appropriated for the SSBG in FY2014. In FY2010, the most recent year for which SSBG expenditure data are available, states spent roughly \$371 million on child day care services (of which \$276 million had been transferred from state TANF programs to the SSBG).
- e. States have flexibility in spending federal TANF dollars. The amount shown is the FY2014 funding appropriated for basic TANF block grants for the 50 states and the District of Columbia (\$16.5 billion), TANF block grants for the territories (\$78 million), and the TANF contingency fund (\$612 million). In FY2013, the most recent year for which expenditure data are available, states spent about \$1.110 billion in federal TANF dollars on child care within the TANF program. In addition, states transferred nearly \$1.367 billion in federal TANF funds to the CCDF in that year.